CALIFORNIA **URBAN WATER** AGENCIES

July 22, 2005

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California Department of Water Resources
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Dear Paul:

California Urban Water Agencies has been an active participant in development of the 2005 Draft Update of the California Water Plan. We have had a representative on the Advisory Committee (AC) since it was formed, and have provided significant input including substantial written comments and suggested additions to the Draft Plan. We are confident this Plan is going in the right direction for the future of California's water resources. We offer a number of comments on the Draft Plan that reinforce areas of strength and offer suggestions in areas we believe could benefit from greater attention. Our comments are separately organized by General Comments, Volume 1 and Volume 2.

General Comments

We strongly supported DWR's revised process for developing the Draft Plan. The Advisory Committee was expanded to include a greater number of diverse stakeholders, and AC meetings were frequent and valuable. DWR did a very good job of soliciting input, and AC meetings were substantive and meaningful. We felt that DWR staff did an excellent job of listening to the views of all AC members and participating members of the public, as reflected by changes made in the Draft Plan as it was developed over the past 2 years. We are pleased by the responses to input since the release of the September 2003 draft, particularly DWR working with the AC to resolve the significant issues.

This Draft Plan, together with the current direction of the CALFED Bay-Delta Program, embraces leadership at the local level. It puts a major focus on the need to develop regional water resource strategies, using the modern tools of integrated resources planning and management. This is a significant change from California's policies for most of the 20th century, which emphasized strong central control and statewide water resources infrastructure development. California has succeeded in getting most of its water resources backbone facilities completed, and it is prudent to focus on regional plans and how they will meet the water needs within each region. Even so, there are backbone infrastructure needs that will continue to require attention and investment, as pointed out by the second initiative of the Water Plan. CUWA supports the balanced approach of regional and local agencies taking the responsibility for regional water management with the state's support, and the state taking responsibility for maintaining and improving the state's backbone infrastructure.

Comments on Volume 1, Strategic Plan

Many reactions to the plan appear to have the classic "conservation can meet all our needs" vs. "we need more storage" confrontations. In fact, meeting water needs requires complex management actions, involving the integration of many water supply tools – especially conservation and storage – to make sure that consumers have water when they turn on the tap. On a hot mid-summer day, water conservation will help lower demand, but water managers will always need to turn to storage to meet needs. The same goes for dry years and droughts. This overall message does not come through very clearly in the Draft Plan and needs to be emphasized much more strongly.

The purpose of conservation is to use less water to accomplish the same purpose. Low-flow showerheads still get us clean; ultra low-flush toilets still do the job that the older ones did; and better irrigation systems stop gutter-flooding. Options are available to maintain a pleasing landscape while using less water than the classic lawns. These conservation measures are long-term investments, and give us long-term benefits by reducing overall water demands and in some cases peak demands.

Storage provides the base supply on which all water systems rely – whether it is surface storage behind a dam, a concrete or steel storage tank on the hill, or storage in a ground water basin. In addition, storage systems are designed to deal with the quick changes in water demand that we see day-to-day, month-to-month, and from wet to dry years. When the weather gets hot and water demand skyrockets, we turn to storage to meet that demand – and rely on long-term conservation investments to keep demand as low as possible. Increased conservation allows us to keep more water "in the bank" for these high periods of demand. Conservation does not have the "on/of switch" characteristic that makes storage and several other tools valuable. There are many operational and institutional factors that affect benefits and utility of our tools. It is essential to avoid the classic conservation vs. storage debate and recognize that we need a broad range of water management tools to meet real-world water needs. That is why we support the full range of 25 water management tools showcased in the Draft Water Plan Update.

We like several new features of this California Water Plan Update, although they did not get into the report without a lot of discussion and in some cases pulling and pushing. These new features include:

- Recognition that California will meet its future water needs through development of regional strategies and integrated resources planning.

- Recognition that every water management tool has problems, not just the ones we or someone else doesn't like. No tool is perfect, even water conservation. But we'll need all the tools in the toolbox working together. We cannot afford to take a naïve or uninformed position on any of our water management options and tools.

- We particularly like the approach taken in Chapter 5 of Volume 1 for each of the specific recommendations: an action plan, intended outcomes, resource assumptions, implementation challenges, and performance measures.

This Update takes a more realistic view of future supplies and demands, recognizing that it is best to look at a range and not settle on a "most likely future" that may not occur. This is simply good planning, particularly given all the uncertainties we have regarding population increases, global climate change and other factors. One of the benefits of this Update, and in a sense one of its failings, is it does not specifically address the "gap" between water supplies and demands. This is a complicated area, and this Update steers away from taking too simple an approach to both supply and demand. However, the press and legislators like talking about the "gap" and what we need to do to increase supplies to meet future shortages. Outdated numbers from Bulletin 160-98 on future water shortages continue to be used. DWR needs to address this matter directly in the Plan in some way, particularly since past Water Plan Updates have guided the Legislature's and State Administration's decisions in providing financial and staff support for implementation actions.

On a more specific matter in Volume 1, we believe a more comprehensive discussion needs to be included regarding Delta levees vulnerability (Recommendation 4 - Maintain and Improve Aging Statewide Water Infrastructure, page 5-11). Levee failures in the Sacramento-San Joaquin Delta are almost sure to disrupt California's water supply system in the next 50 years, whether by a single island failure such as occurred with Jones Tract in 2004 or the threat of catastrophic failures as has been discussed by the CALFED Science Program and other recent forums. The state should include a recommendation on the issue of Delta levee vulnerability, recognizing the economic, social, environmental and other risks associated with such vulnerabilities.

We are pleased to see recognition of the need to maintain our aging water resources infrastructure. The public is aware that our highways and schools need more attention, but our water infrastructure is something most people do not see.

Comments on Volume 2, Resource Management Strategies

Details are important, and we appreciate the important information added to the Draft Update as a result of input from the Advisory Committee and others. Here are a few additional comments on the resource management strategies set forth in Volume 2:

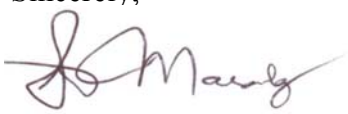
- "Strategy". The 25 water management strategies are discussed independent of each other. While we agree that each region should select the mix of strategies that would work for its situation, the next water plan should discuss the interrelationships of these strategies to be useful for the regions. In the meantime, the final version of the 2005 Draft Plan should include a new section discussing in far more detail why it is important to evaluate how all the management tools work together to provide a utility's (or a region's) water supply reliability. We would be glad to meet with your staff to suggest how this could be done. The real-time operational experiences of urban utilities, coupled with their local integrated resources plans / urban water management plans / capital improvement plans is a dose of reality compared to a generalized discussion of individual water resource management strategies. A true "strategy" should address – even in a general sense – the importance of all tools working together toward a common goal (typically, a targeted level of water supply reliability as it may be developed and measured by each utility or region).

- Format and discussions of each of the 25 resource management strategies. After some initial problems in earlier drafts, these 25 individual discussions are much clearer. Each management strategy receives the same treatment: description of strategy, potential costs and benefits, and major issues related to implementation.

- Recycling/Reuse. Recycled water is a very important component of the strategy of many urban utilities to develop a diversified water supply portfolio consistent with the State's water recycling goals. However, considerable difficulties have been encountered by many utilities during project implementation. Many of these difficulties are addressed by the Recycled Water Task Force recommendations. We support the detailed description of the Task Force recommendations included in the plan, but believe that a strategy for implementation of these recommendations should be incorporated into the Plan or at least outlined in some fashion. Substantial progress toward implementation of these recommendations will be required to facilitate developing the 0.9 to 1.4 million acre-feet per year of recycled water potential identified by the Plan. It is essential that regulatory agencies, such as the State Water Resources Control Board and the Regional Boards, work cooperatively with project proponents in efforts to satisfy regulations so that proponents can develop cost-effective recycling projects.

Thank you for the opportunity to provide comments. We look forward to opportunities to work with DWR as you develop the final Water Plan Update.

Sincerely,



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